

05-337



North Carolina General Assembly
House of Representatives

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To: Kevin J. Martin, Chairman
Michael J Copps, Commissioner
Jonathan S Adelstein, Commissioner
Deborah Taylor Tate, Commissioner
Robert M McDowell, Commissioner

Federal Communications Commission
445 12th Street SW
Washington D. C. 20554

Dear Chairman and Commissioners:

I understand that the FCC is considering placing a cap on the use of the Universal Service Fund (USF) for wireless service. I am contacting you to express my opposition to this unfair, arbitrary proposal. While such an approach may provide a quick-fix leading to the rapid elimination of fund growth, it would also result in a terrible disservice to rural consumers. Rural consumers want and need expanded and improved wireless services in rural areas for public safety, economic development, business and personal needs that are equally important to them as they are to urban consumers. This is one of the main benefits that rural consumers receive from the universal service fund, just as Congress envisioned when it initially established the fund. A wireless-only cap is clearly anti-competitive because it singles out wireless technology, which consumers are choosing more and more over landlines. We should be rewarding competition, not punishing it. What's more, rural Americans deserve the same access to telecom services that are available in the rest of the country—isn't that the purpose of the USF?

Consumers in rural parts of North Carolina are no longer content to have access to only traditional wireline telephone service. Consumers are clearly demanding access to the benefits of mobility that only wireless service provides. This mobility results in extremely important public safety benefits in rural areas. As rural consumers travel from home to work or school, wireless service provides a very valuable safety tool. Without the continued needed support for the expansion and upgrading of the rural wireless networks, consumers will not receive these benefits where they do not already exist.

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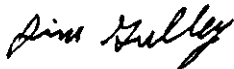
Universal service support is essential if rural consumers are to be provided service and rates comparable to those available in urban areas.

I have witnessed firsthand the benefits provided by expanded wireless services in rural North Carolina, and I do not want to see those benefits diminished by USF reform. Much of the expanded availability of wireless service in rural areas would not have occurred without the USF support provided to wireless ETCs who could not have economically extended their networks without such support.

Please consider what limiting the growth of wireless access will mean for rural America: wireless technology plays an ever-increasing role in economic growth and is a critical instrument in emergency situations, but if the recommended cap is implemented, many communities may never realize these benefits. In a country that prides itself on equality, it seems hypocritical to restrict certain individuals' access to an essential tool simply because of their geographic location, especially when they have contributed for years to the USF along with everyone else.

I respectfully request that you carefully consider these facts as you seek to reform the existing fund. I ask you to find competitively neutral proposals to slow fund growth, ensure accountability for how these funds are used and promote the continued expansion and improvement of these much needed services in rural areas by targeting funds to high cost areas rather than by targeting reforms to wireless providers. I urge you to vote against the proposed cap on universal service support for wireless service.

Sincerely,



Representative Jim M. Gulley

CC: US Senators and Congressmen from North Carolina.